

Inside Australian Online Shopping

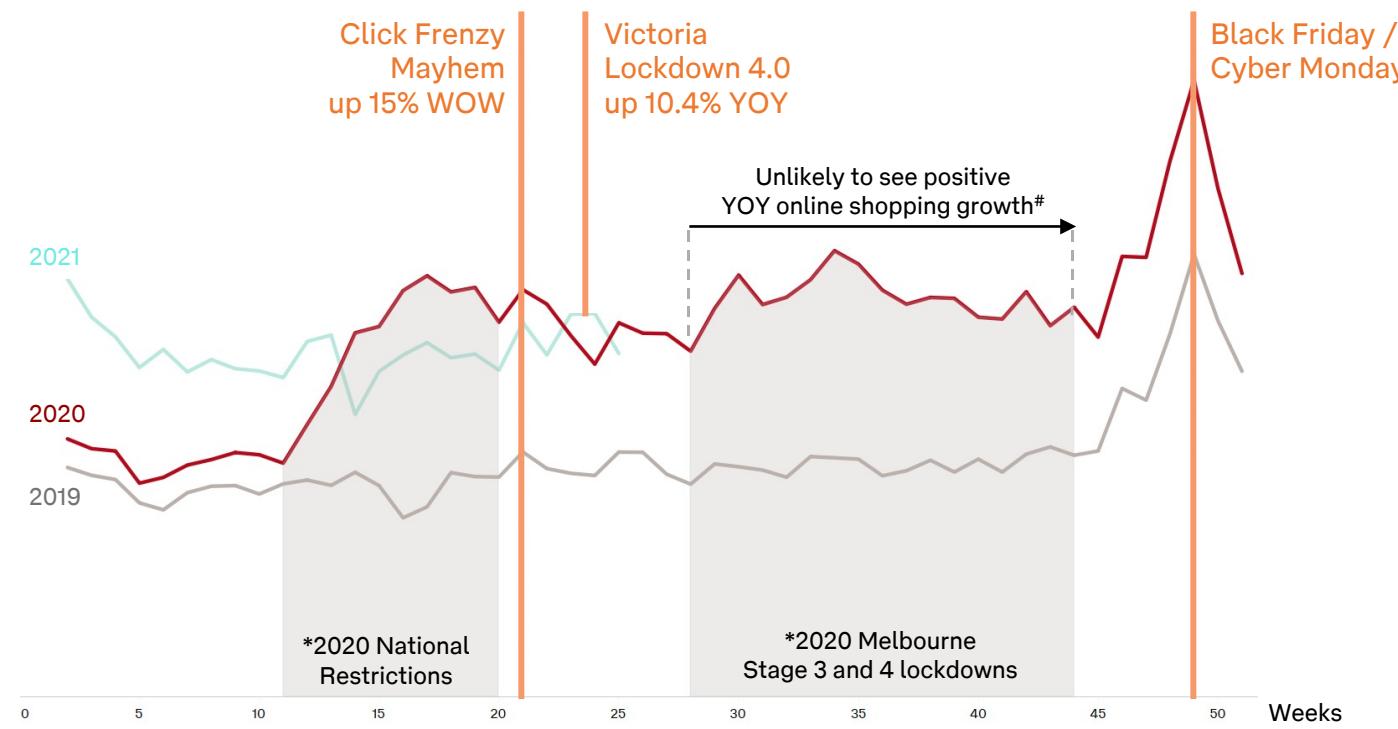
eCommerce update

June 2021



Click Frenzy's 'Mayhem' and Victorian Lockdown drove jumps in online shopping

Purchase volume in online shopping YOY comparison



Click Frenzy's 'Mayhem' online sale,

helped drive online purchases up 6% in May 2021, compared with April 2021. Many retailers ran sales promotions during the week of 'Mayhem' (starting May 18 2021), and online purchases jumped 15% when compared to the week prior. That's quite an increase on 2020, when the same period grew 9% week-on-week (WOW).

The announcement of Victoria's fourth

lockdown on 27 May 2021, drove a 38% year on year increase in online volumes for the 14 days to June 12 2021 – almost four times higher than the national growth recorded over the same period in 2020. This strong demand in Victoria drove 10.4% YOY national growth in online shopping for the same fortnight – the first period of positive growth since late March 2021.

* COVID-19 restrictions in place during the same period in 2020

Unless driven by pandemic restrictions/lockdowns

Overall, growth in online shopping dipped in May

The dip in online shopping growth for the month of May 2021, down 10% year-on-year (YOY), is unsurprising given the wide-spread pandemic restrictions that were in place during the same period in 2020.¹

However, when we compare May 2021 to its pre-pandemic baseline in 2019, online shopping is up 47.5%. And for the 12 months to 31 May 2021, growth is 37.2% YOY.

Notably, online purchases of Pet Products grew 22.7% YOY – remember all those pandemic puppies! While all other major categories saw a decline when compared to May 2020.

We expect purchase volumes to remain steady through June 2021, as we'll be measuring against easing retail conditions akin to those seen in 2020.

47.5%

YOY growth for online shopping in May 2021, compared with May 2019.

37.2%

YOY growth in online shopping for the 12 months to 31 May 2021



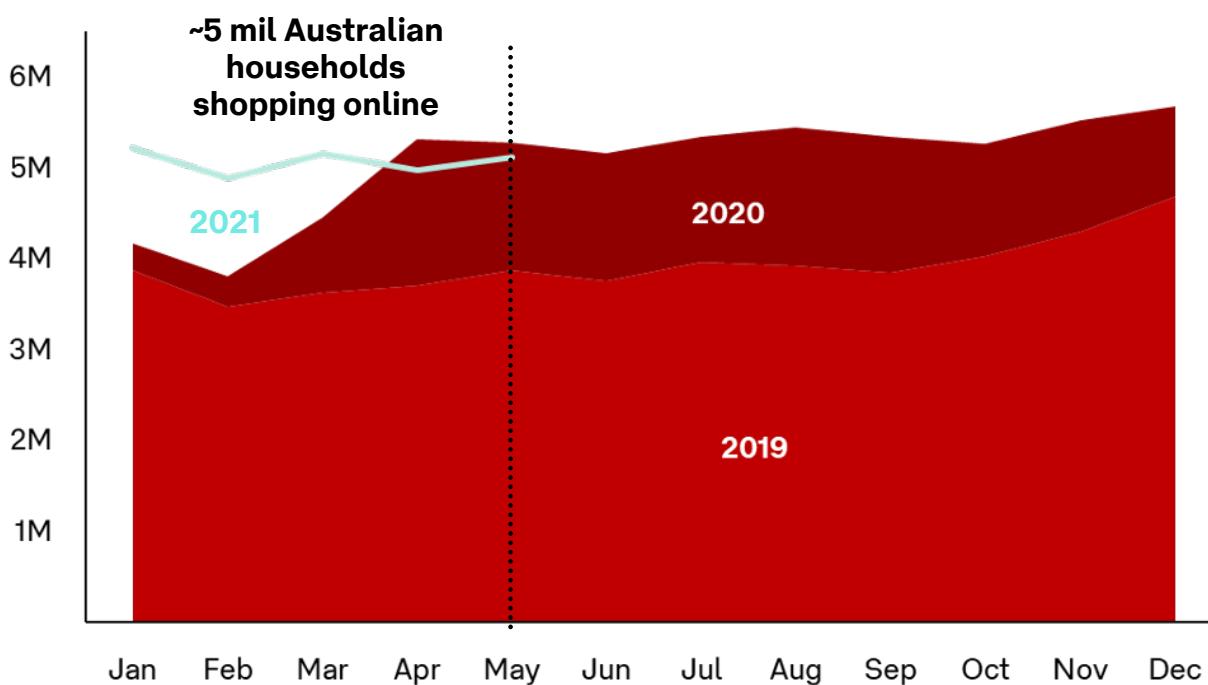
22.7%

YOY growth for online purchases of **Pet Products** in the month of May 2021.

¹COVID-19: a chronology of state and territory government announcements (up until 30 June 2020), Parliament of Australia, 22 Oct 2020

Online shopping participation increased in May

In May 2021, the number of Australian households shopping online increased 4% month-on-month, meaning participation remains largely steady with 2020 at around ~5 million households shopping online each month.



7.8+ million

Households have shopped online between 1 January and 31 May 2021, up 3.6% YOY.

32%

More household shopping online when compared to just two years ago

5.1+ million

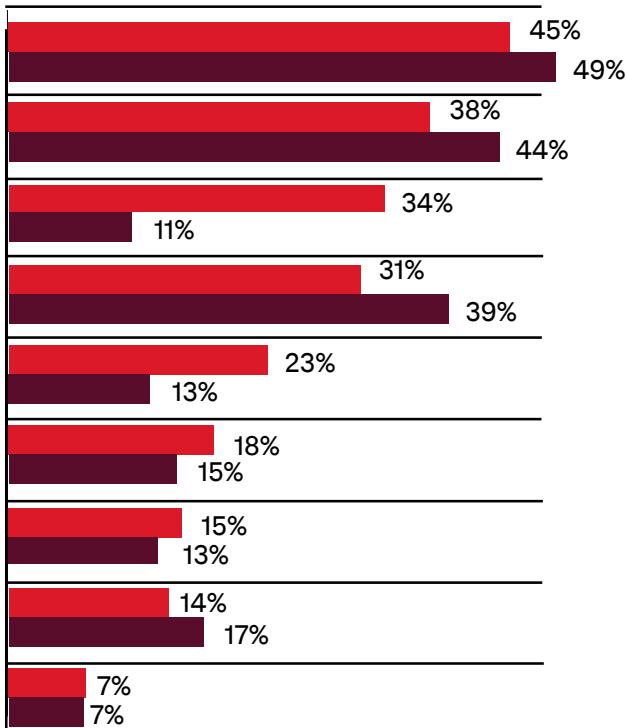
Households shopped online in May 2021.



Convenience, product range and price are the main appeal for online shoppers

Reasons for shopping online in 2020 vs 2021²

Shopping online is quicker / more convenient / saves me time



Access to a greater range of products online

Some shops were shut / restrictions forced me to shop online

Access to bigger discounts / cheaper prices

Fear of catching COVID

Bored / shopping online for entertainment

Shortages of some products in bricks and mortar stores

I enjoy shopping online more than in bricks and mortar stores

Other reasons

²Source: Australia Post Consumer Survey, n = 1,681 parcel receivers who shopped online at the start of the pandemic, March 2020 and now, May 2021

At the onset of the pandemic, an Australia Post survey identified retail restrictions as the third most significant driver of online shopping participation, with fear of catching COVID-19 the fifth most prevalent reason².

Today, these drivers have declined sharply – with perceptions of convenience, greater access to products and more value for money now the primary reasons for shopping online².

Of those who have shopped online in 2020, only 3% indicated that they are unlikely to continue purchasing online post COVID-19² – indicating that online shopping participation is set to remain strong into the future.

To access past eCommerce industry reports and monthly updates, visit:
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Australia Post acknowledges the Traditional Custodians of the land on which we operate, live and gather as employees, and recognises their continuing connection to land, water and community. We pay respect to Elders past, present and emerging.

This update has been prepared using 2019, 2020 and 2021 deliveries data recorded by the Australia Post Group, unless otherwise stated. Commentary in this update relating to online shopping is based on an extrapolation of this data. Year on year growth numbers are based on actual or extrapolated transaction volumes. Shoppers are measured as residential households that received an eCommerce parcel.

This information is provided for general information purposes only and is not intended to be specific advice for your business.

